(6)

FILED
MAY 12 2006
OFFICE OF THE CLERK
SUPREME COURT, U.S.

No. 05-608

IN THE
Supreme Court of the United States

MEDIMMUNE, INC.,
Petitioner,

v.

GENENTECH, INC. AND CITY OF HOPE NATIONAL MEDICAL CENTER,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF THREE INTELLECTUAL PROPERTY PROFESSORS AS *AMICI CURIAE* IN SUPPORT OF THE PETITIONER

***Jay Dratler, Jr.**
Goodyear Professor of Intellectual Property
University of Akron School of Law
873 Castle Boulevard
Akron, OH 44313-5774
330-972-7972

****Counsel of Record***
for Amici Curiae

See Reverse Side for Additional Counsel

May 2006

A. Samuel Oddi
Giles Sutherland Rich Professor in Intellectual Property
514 West Fairlawn Boulevard
Akron, OH 44343-4594
330-972-6384

Jeffrey M. Samuels
David L. Brennan Professor of Law and Director, Center of Intellectual Property Law and Technology
2181 Jamieson Avenue #119
Alexandria, VA 22314-5752
330-972-7898

TABLE OF CONTENTS

PAGE

QUESTIONS PRESENTED i

TABLE OF CONTENTS ii

TABLE OF AUTHORITIES iv

CONSENTS TO FILE AND INTEREST OF THE *AMICI CURIAE* 1

SUMMARY OF ARGUMENT 2

ARGUMENT 5

I. The result and reasoning below contravene consistent directives of this Court to respect the importance of testing patents in court 5

II. The Federal Circuit's "reasonable apprehension of suit" test, formalistically applied by that court, virtually nullifies the Declaratory Judgment Act in the field of patent law 8

III. Nothing in the Constitution's case or controversy requirement mandates the Federal Circuit's test ... 12

IV. There may be requests for declaratory judgments in patent cases that are not cases or controversies in a constitutional sense, but the case at bar is not one of them 15

V. Patent law needs a new standard for declaratory judgment, one consistent with the Declaratory Judgment Act and the purpose of the Constitution's case or controversy requirement 17

A. The Federal Circuit's "reasonable apprehension of suit" test is bad economics as well as bad law 17

B. A proper standard for a declaratory-judgment suit by a patent licensee would permit suit whenever the licensee has a real, concrete and non-pretextual reason for seeking release from the license's obligations and the patentee would have a justiciable action for infringement in the absence of the license 22

CONCLUSION 29

TABLE OF AUTHORITIES

CASES **PAGE**

Aetna Life Insurance Co. v. Haworth,
300 U.S. 227 (1937) 14, 22-23, 26

Arrowhead Industrial Water, Inc. v. Ecolochem, Inc.,
846 F.2d 731 (Fed. Cir. 1988) 9

Blonder Tongue Laboratories, Inc.
v. University of Illinois Foundation,
402 U.S. 313 (1971) 5-7, 20-21, 26

BP Chemicals, Ltd. v. Union Carbide Corp.,
4 F.3d 975 (Fed. Cir. 1993) 8-9

Cardinal Chemical Co. v.
Morton International, Inc.,
508 U.S. 83 (1993) 5-7, 20

Christianson v. Colt Industries Operating Corp.,
486 U.S. 800 (1988) 20

Cygnus Therapeutic Systems v. ALZA Corp.,
92 F.3d 1153 (Fed. Cir. 1996) 10

Eastern R.R. Presidents Conference
v. Noerr Motor Freight, Inc.,
365 U.S. 127 (1961) 25

eBay Inc. v. MercExchange, L.L.C.,
126 S.Ct. 733, 74 U.S.L.W. 3321 (2005) 11

Flast v. Cohen,
392 U.S. 83 (1968) 13

Foster v. Hallco Manufacturing Co.,
947 F.2d 469 (Fed. Cir. 1991) 12

Holmes Group, Inc. v. Vornado Air Circulation Systems, Inc.,
535 U.S. 826 (2005) 20

International Medical Prosthetics Research Associates, Inc. v. Gore Enterprise Holdings, Inc.,
787 F.2d 572 (Fed. Cir. 1986) 9

Lang v. Pacific Marine and Supply Co.,
895 F.2d 761 (Fed. Cir. 1990) 16

Lear, Inc. v. Adkins,
395 U.S. 653 (1969) 2, 5-7, 21

Lujan v. Defenders of Wildlife,
504 U.S. 555 (1992) 23, 25, 27

Markman v. Westview Instruments, Inc.,
517 U.S. 370 (1996) 15

Maryland Casualty Co. v. Pacific Coal & Oil Co.,
312 U.S. 270 (1941) 23

Massachusetts v. Mellon,
262 U.S. 447 (1923) 28

MedImmune, Inc. v. Genentech, Inc.,
427 F.3d 958 (Fed. Cir. 2005),
cert. granted in instant case 9, 28

MercExchange, LLC v. eBay, Inc.,
401 F.3d 1323 (Fed. Cir.), *cert. granted*,
126 S.Ct. 733 (2005) 11

Nobelpharma AB v. Implant Innovations, Inc.,
141 F.3d 1059 (Fed. Cir. 1998) (*en banc* in part) 10

Precision Instrument Manufacturing Co. v.
Automotive Maintenance Machinery Co.,
324 U.S. 806 (1945) 6

Professional Real Estate Investors, Inc.
v. Columbia Pictures Industries, Inc.,
508 U.S. 49 (1993) 25

Richardson v. Suzuki Motor Co.,
868 F.2d 1226, (Fed. Cir. 1989) 11

Shell Oil Co. v. Amoco Corp.,
970 F.2d 885 (Fed. Cir. 1992) 8-9, 10

Sierra Club v. Morton,
405 U.S. 727 (1972) 27

Spectronics Corp. v. H.B. Fuller Co.,
940 F.2d 631 (Fed. Cir.) *cert. denied*,
502 U.S. 1013 (1991) 9

Teva Pharmaceuticals USA, Inc. v. Pfizer Inc.,
395 F.3d 1324 (Fed. Cir. 2005) 10, 12

Travelers Insurance Co. v. Davis,
490 F.2d 536 (3d Cir. 1974) 11

Valley Forge Christian College v. Americans United for Separation of Church and State,
454 U.S. 464 (1982) 13

Vitronics Corp. v. Conceptronic, Inc.,
90 F.3d 1576 (Fed. Cir. 1996) 15

Walker Process Equipment, Inc. v. Food Machinery & Chemical Corp.,
382 U.S. 172 (1965) 28

Warner-Jenkinson Co. v. Hilton Davis Chemical Co.,
520 U.S. 17 (1997) 20

CONSTITUTION, STATUTES AND BILLS

U.S. Const., Art. III, § 2, cl. 1 ..... *passim*

28 U.S.C. § 1295(a) 20

28 U.S.C. § 2201(a) (Declaratory Judgment Act) ..... *passim*

Act of June 14, 1934, ch. 512,
48 Stat. 955 (original enactment) 27

35 U.S.C. § 102 15

35 U.S.C. § 103(a) 15

35 U.S.C. § 286 21

35 U.S.C. ch. 30, §§ 301-307 20

35 U.S.C. ch. 31, §§ 311-318 20

2005 H.R. 2795 (Smith) 20

OTHER REFERENCES

Kenneth C, Davis, *Administrative Law Treatise* (1958) 27

1 Jay Dratler, Jr., *Intellectual Property Law: Commercial, Creative, and Industrial Property* (Law Journal Press 1991 & Supps.) 16-17

1 Jay Dratler, Jr., *Licensing of Intellectual Property* (Law Journal Press 1994 & Supps.) 17, 21, 25

To Promote Innovation: the Proper Balance of Competition and Patent Law and Policy, A Report by the Federal Trade Commission (Oct. 2003) 18-19

Adam B. Jaffe and Josh Lerner, *Innovation and Its Discontents : How Our Broken Patent System is Endangering Innovation and Progress, and What to Do About It* 34 (Princeton University Press 2004) 18

Jay Dratler, Jr., "Alice in Wonderland Meets the U.S. Patent System," 38 Akron L. Rev. 299, 308-319 (2005) 18

Jay Dratler, Jr., "Does Lord Darcy Yet Live? The Case Against Software and Business-Method Patents," 43 Santa Clara L. Rev. 823 (2003) 19

Daniel A. Farber, "Uncertainty as a Basis for Standing," 33 Hofstra L. Rev. 1123, 1125-1126 (2005) 26

Cass Sunstein, "What's Standing After *Lujan*? Of Citizen Suits, 'Injuries,' and Article III," 91 Mich. L. Rev. 163, 185-186 (1992) 27

John R. Thomas, "The Patenting of the Liberal Professions," 40 B.C. L. Rev. 1139, 1163-1164 (1999) 18

CONSENTS TO FILE AND INTEREST OF THE *AMICI CURIAE*

Through their counsel of record, all parties to this appeal have consented in writing to the filing of this brief. Copies of the consents accompanied this brief.

The individuals Jay Dratler, Jr., Jeffrey M. Samuels, and A. Samuel Oddi (collectively, "Amici") are all attorneys and chaired professors of law. Two (Jay Dratler, Jr. and A. Samuel Oddi) are admitted to practice before this Court.

The interest of Amici in this case arises from lifetimes of study, research and practice in the field of intellectual property law. Jay Dratler, Jr. has thought and written about declaratory judgments in patent cases for twelve years, since his two-volume loose-leaf treatise on licensing was first published in 1994. See 1 Jay Dratler, Jr., *Licensing of Intellectual Property* § 2.01[1][a][iii] (Law Journal Press 1994 & Supps.) Jeffrey M. Samuels was Assistant Commissioner of Patents and Trademarks from November 1987 to January 1993. A. Samuel Oddi served as patent counsel for major corporations for over ten years and has taught law for over 30 years. Although we are not submitting the Brief on behalf of any organization, we all work at the Intellectual Property and Technology Center at the University of Akron School of Law, which is dedicated to the advancement of law and policy in the field of intellectual property.[1]

[1] The University of Akron has provided office services and will reimburse out-of-pocket expenses related to this brief. This brief, however, is not submitted on behalf of the University of Akron, which has not reviewed and does not endorse its content.

From time to time each of us acts as a paid attorney or consultant. To our knowledge, however, no current or likely future client of any of us has any pecuniary interest in the outcome of this lawsuit. We thus occupy a unique position of expertise and financial disinterest. Our interest is in a patent system that is legally sound and economically rational.

SUMMARY OF ARGUMENT

In a consistent line of cases extending over six decades, this Court has emphasized the importance of tearing down barriers to challenging patents' validity, lest the public be harmed by unjustified monopolies. Yet the Federal Circuit has categorically refused to allow patent licensees in good standing to challenge the validity or enforceability of the patents they have licensed, although licensees are often the ones best motivated to make such challenges. The Federal Circuit has thus ignored this Court's clear directives and undermined this Court's holding in *Lear, Inc. v. Adkins*.

The source of the problem is the Federal Circuit's "reasonable apprehension of suit" test for declaratory-judgment jurisdiction. That test grants "quiescent" patentees—those who do not threaten suit or charge infringement—effective immunity from challenges to their patents by way of declaratory judgment. They can notify the industry of their patents, enter licensing negotiations, grant licenses, or walk away from the table, all without losing this "immunity" from suit. The Federal Circuit has thus given patentees clear instructions for nullifying the Declaratory Judgment Act in the field of patent law.

The Federal Circuit has held that the Constitution's requirement for a case or controversy dictates this result. That is simply not so. The case or controversy requirement is a limitation on constitutional government, based on the separation of powers. It prevents the judiciary from invading the domain of the legislative or executive branch by deciding abstract or hypothetical questions not raised in a real, concrete dispute between adverse parties. Instead, the Federal Circuit appears to have interpreted it as a rule of litigation fairness or procedural priority, under which a quiescent patentee should not be sued first. That interpretation expands the case or controversy requirement well beyond its rationale.

There may be patent cases in which actions for declaratory judgments are not justiciable, but this case is not one of them. Real issues of justiciability may arise if a party concerned about potential liability for patent infringement requests a declaratory judgment challenging the patent before producing any product on which the patent's claims might be read. In that case a judgment on the patent's validity could be viewed as hypothetical or advisory.

No such difficulty arises in this case. Here Appellant is producing a real product, and there is a real and concrete dispute over whether royalties are due on it. No fact or evidence needed to determine whether the patent is valid and enforceable depends upon whether the license is in force or has been breached or terminated. There is therefore nothing hypothetical or abstract about this case.

Nor would adjudication provide a mere advisory opinion. On the contrary, it would clarify alleged legal rights that directly affect the economic interests of the

patentee, the licensee, the industry and the public. Because this case involves medical products, its outcome may affect the public health as well.

Patent law needs a new standard for the justiciability of declaratory-judgment actions—one consistent with the Declaratory Judgment Act and with the real purposes of Article III's case or controversy requirement. The Federal Circuit's test is not only inconsistent with this Court's decisions and the Act. It is also economically harmful, for it keeps courts from reviewing "bad" patents even as they are on the rise.

At a minimum, a new standard should treat patentees and their adversaries symmetrically. A licensee should be able to request a declaratory judgment whenever a patentee could sue for infringement if the license did not exist, as long as there is a real, current dispute between the parties that the court's judgment can resolve.

Modern standing doctrine's requirement for "injury in fact" does not stand in the way. It does so only if interpreted literally, as requiring invasion of a protected interest. But in patent cases such an interpretation is circular: even a confessed infringer does not invade the patentee's rights unless the patent is valid—a decision that only the court can make. A literal interpretation of injury in fact would eliminate declaratory judgments from all of patent law.

A patent's validity or enforceability is almost always uncertain. The uncertainty impacts both patentees and their adversaries. It has direct and often enormous economic consequences and is the source of very real disputes. Therefore, in patent cases, "injury in fact" exists whenever

doubt about a patent's validity or enforceability is real enough to engender non-pretextual disputes that a court can resolve.

The uncertainty itself—not either party—causes the economic injury. The Declaratory Judgment Act provides a means to resolve the uncertainty, and thereby to prevent or redress the injury, when the alleged rightholder declines to sue. Any justiciability doctrine that fails to recognize these economic facts of life will not only nullify the Declaratory Judgment Act in the field of patents; it will also contravene decades of precedent. Surely nothing in Article III, which seeks only to keeps courts from performing legislative or executive functions, requires such an extreme result.

ARGUMENT

I. The result and reasoning below contravene consistent directives of this Court to respect the importance of testing patents in court.

In a long line of cases stretching back at least six decades, this Court has repeatedly ruled that testing patents for validity and enforceability has paramount importance in the scheme of patent law. *See Cardinal Chemical Co. v. Morton International, Inc.*, 508 U.S. 83, 100-101 (1993) (pointing out "the wasteful consequences of relitigating the validity of a patent after it has once been held invalid in a fair trial" and "the danger that the opportunity to relitigate might, as a practical matter, grant monopoly privileges to the holders of invalid patents") (footnotes omitted); *Blonder Tongue Laboratories, Inc. v. University of Illinois Foundation*, 402 U.S. 313, 344 (1971); *Lear, Inc. v. Adkins*,

395 U.S. 653, 670-671 (1969); *Precision Instrument Manufacturing Co. v. Automotive Maintenance Machinery Co.*, 324 U.S. 806, 816 (1945) (noting public's "paramount interest in seeing that patent monopolies spring from backgrounds free from fraud or other inequitable conduct and that such monopolies are kept within their legitimate scope").

The linchpin of these cases is this Court's decision in *Blonder Tongue*, 402 U.S. at 350, abandoning the doctrine of mutuality of estoppel in patent cases. It ruled that a final judgment of patent invalidity, if based on a full and fair trial, estops the patentee from asserting the same patent against *anyone*. *See id.*, 402 U.S. at 328-329.

Under *Blonder Tongue*, a patent is dead once declared invalid in a single lawsuit. It can no longer threaten industry, curtail free competition, or harm the public. In announcing this rule, this Court relied heavily on the great expense and delay of patent litigation and the general public's strong economic interest in insuring that invalid patents do not create unjustified economic monopolies. *See id.*, 402 U.S. at 334, 337 & n.31 (noting expense and delay); 402 U.S. at 346 (noting competitive impact).

Twenty-two years later, in *Cardinal Chemical*, this Court applied the same principles to curtail an odd procedural practice that the Federal Circuit had developed. That court had routinely vacated trial-court judgments of patent invalidity after upholding findings that the patent was not infringed. *See Cardinal Chemical*, *supra*, 508 U.S. at 85, 89-90, 95.

Bare logic supported the procedure: if a patent is not infringed, it does not matter *for that case* whether or not it is valid. But this Court repudiated the Federal Circuit's formalistic logic. *See id.*, 508 U.S. at 102. It reasoned that the accused infringer had paid dearly in time and money for the judgment of invalidity, and that both industry and the public had a strong interest in that judgment under *Blonder-Tongue*. *See id.*, 508 U.S. at 99 (noting interest of litigant); 508 U.S. at 100 (noting "importance to the public at large of resolving questions of patent validity"); *id.*, 508 U.S. at 102 (both).

The case of *Lear, Inc. v. Adkins* is much closer to this case. There this Court addressed whether a patent licensee could challenge the validity of the licensed patent. The specific issue was the continuing validity of the doctrine of licensee estoppel, under which a licensee, by virtue of taking a license, was deemed to have recognized the validity of the licensed patent and to be estopped from challenging it. *See Lear*, *supra*, 395 U.S. at 656. Characterizing that principle as a matter of contract under state law, this Court held it superseded by fundamental patent principles. *See id.*, 395 U.S. at 670-671. This Court referred generally to the need to encourage legal challenges to invalid patents and specifically to the benefits of encouraging those with the greatest economic incentives to make challenges to do so. "Licensees," it said, "may often be the only individuals with enough economic incentive to challenge the patentability of an inventor's discovery. If they are muzzled, the public may continually be required to pay tribute to would-be monopolists without need or justification." *Id.*, 395 U.S. at 670.

Together, these cases provide a consistent and formidable body of precedent establishing three principles. First, patent law protects our economy, future innovation and the public from unjustified patent monopolies by encouraging invalid or unenforceable patents to be challenged and declared as such. Second, the law disfavors any procedural mechanism that hinders or delays such challenges or declarations. Third, patent law encourages challenges to patents by "private attorneys general" motivated by their own economic self-interest to protect the public interest, and the class of private attorneys general includes patent licensees.

The result and rationale below contravene these principles. By precluding all patent licensees in good standing from challenging the validity or enforceability of their licensed patents, it eliminates a large and important class of potential patent challenges. By requiring licensees to repudiate, breach or terminate their license agreements before mounting challenges by way of declaratory judgment, it hinders and delays those challenges. It thus discourages challenges to patents by those most highly motivated to make them.

II. The Federal Circuit's "reasonable apprehension of suit" test, formalistically applied by that court, virtually nullifies the Declaratory Judgment Act in the field of patent law.

The touchstone of the Federal Circuit's analysis in this case is its "reasonable apprehension of suit" test for federal declaratory judgment jurisdiction. *See*, e.g., *BP Chemicals, Ltd. v. Union Carbide Corp.*, 4 F.3d 975, 978 (Fed. Cir. 1993); *Shell Oil Co. v. Amoco Corp.*, 970 F.2d 885, 887-

888 n.2 (Fed. Cir. 1992); *Spectronics Corp. v. H.B. Fuller Co.*, 940 F.2d 631, 634 (Fed. Cir.), *cert. denied*, 502 U.S. 1013 (1991).[2] No such jurisdiction exists in this case, that court held, because the license agreement precluded any reasonable apprehension that the patentee would sue. *See MedImmune, Inc. v. Genentech, Inc.*, 427 F.3d 958, 962-965 (Fed. Cir. 2005).

This Court has never reviewed the Federal Circuit's "reasonable apprehension of suit" test. As the Federal Circuit has repeatedly stressed, it is an objective test, which depends upon the patentee's actions. *See*, e.g., *BP Chemicals*, 4 F.3d at 980; *Arrowhead Industrial Water, Inc. v. Ecolochem, Inc.*, 846 F.2d 731, 736 (Fed. Cir. 1988); *International Medical Prosthetics Research Associates, Inc. v. Gore Enterprise Holdings, Inc.*, 787 F.2d 572, 575 (Fed. Cir. 1986).

The test allows a patentee to avoid a suit for declaratory judgment if it is "quiescent," i.e., if it makes no threat of suit or charge of infringement. *See Arrowhead Industrial Water*, 846 F.2d at 736 (if "defendant has done nothing but obtain a patent, there can be no basis for the required apprehension, a rule that protects quiescent patent owners against unwarranted litigation") (citations omitted). But this does not mean that the patentee must refrain from

---

[2] The test actually has two prongs: (1) the declaratory plaintiff's reasonable apprehension of suit by the patentee and (2) the declaratory plaintiff's engagement in or preparation for infringing activity. See *BP Chemicals*, 4 F.3d at 978; *Spectronics Corp.*, 940 F.2d at 634. The second or "infringement" prong, however, is not at issue in this appeal. Respondent Genentech's assertion that its licensed patent covered Appellant's production and sale of the product Synagis® is tantamount to an assertion that those activities would infringe the patent in the absence of a license.

affecting an industry or the economy. The patentee can circulate its patent to competitors and the industry. *See Spectronics*, 940 F.2d at 632-633, 636-638 (patentee's letters to industry announcing addition of patent to its "growing family of patents" and its patent strategy, without referring to any competing products, did not create basis for declaratory judgment action). The patentee can discuss licensing. *See Shell Oil*, 970 F.2d at 889 (there was no reasonable apprehension of suit where patentee responded to plaintiff's initiatives and entered licensing negotiations, during course of which it referred to plaintiff's catalyst as "falling within" or "covered under" patent and said it would enforce patent). The patentee can even refuse a license and break off negotiations. *See*, e.g., *Teva Pharmaceuticals USA, Inc. v. Pfizer Inc.*, 395 F.3d 1324, 1327, 1329-1330 (Fed. Cir. 2005) (court had no declaratory judgment jurisdiction although patentee had listed patent in FDA's "Orange Book" and had sued and later licensed other generic maker, where it had refused to license declaratory plaintiff on request or to sue it for infringement); *Cygnus Therapeutic Systems v. ALZA Corp.*, 92 F.3d 1153, 1156-1157, 1159-1160 (Fed. Cir. 1996), *overruled on other ground*, *Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1059, 1068 & n.5 (Fed. Cir. 1998) (*en banc* on that other ground only) (there was no reasonable apprehension of suit where patentee's officers (1) stated that declaratory plaintiff's continuing its research program "made no sense" due to existence of patent; (2) reported that patent had survived reexamination; and (3) insisted that patentee had "a very strong proprietary position[,]" and where patentee refused to license declaratory plaintiff; patentee had done nothing more than exercise its right to exclude).

In practice, these results give patentees a practical prescription for nullifying the Declaratory Judgment Act in the field of patent law. All they have to do is stay "quiescent" by refraining from threats of suit or charges of infringement. In the meantime, they can make an entire industry aware of their patent, conclude licensing agreements, collect royalties, and scare off unlicensed competition by the fear of patent litigation. Any unlicensed competitor that invests in plant and production without a license will risk a total loss of sunk investment if the patentee sues for infringement after production begins, wins the suit, and gets an injunction, which is now a standard remedy.[3]

A moment's thought reveals how this test frustrates the Declaratory Judgment Act's purpose. The Act allows courts to "declare the rights and other legal relations of any interested party seeking such declaration[.]" 28 U.S.C. § 2201(a) (in part). It thus lets a plaintiff clarify uncertain rights and legal relations when the other party to the dispute declines to do so. *See Travelers Insurance Co. v. Davis*, 490 F.2d 536, 543 (3d Cir. 1974). Yet by requiring the plaintiff to have a "reasonable apprehension of suit" based upon the defendant's objective manifestations, the Federal

---

[3] The question whether injunctive relief will *remain* a standard remedy in a successful patent infringement suit is now before this Court in a separate case. *See eBay Inc. v. MercExchange, LLC*, 126 S.Ct. 733, 74 U.S.L.W. 3321 (2005) (granting *certiorari* to decide issue). The law that this Court will review, however, is now to that effect. *See MercExchange, LLC v. eBay, Inc.*, 401 F.3d 1323, 1338 (Fed. Cir. 2005), *cert. granted, supra* ("Because the 'right to exclude recognized in a patent is but the essence of the concept of property,' the general rule is that a permanent injunction will issue once infringement and validity have been adjudged"), quoting *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1246-1247 (Fed. Cir. 1989).

Circuit allows the defendant to control the existence and timing of litigation. That is precisely the result that the Declaratory Judgment Act sought to avoid. Without clear guidance and instructions from this Court, the Federal Circuit will continue to allow patentees to nullify the Declaratory Judgment Act in this manner.

III. Nothing in the Constitution's case or controversy requirement mandates the Federal Circuit's test.

Last year two judges of a three-judge panel decided that the Constitution's case or controversy requirement mandates the "reasonable apprehension of suit" test. *See Teva Pharmaceuticals*, 395 F.3d at 1335 (Fed. Cir. 2005). There was a strong dissent. *See id.*, 395 F.3d at 1339 (Chief Judge Mayer, dissenting). Yet this was not the first time the Federal Circuit has flirted with constitutionalizing its test. *See Foster v. Hallco Manufacturing Co.*, 947 F.2d 469, 479 (Fed. Cir. 1991) (in patent context, "case or controversy" requirement demands "sufficient acts by both parties which support an actual charge of infringement or at least a reasonable belief that a suit for infringement will be brought") (citation omitted).

To the extent one can read a rationale in the Federal Circuit's decisions, it appears to be a matter of fairness and litigation priority. The *Teva Pharmaceuticals* panel seemed to feel that it would be unfair and inappropriate for "quiescent" patentees to suffer suit or to lose their choice of the forum and timing for suit. *See Teva Pharmaceuticals*, 395 F.3d at 1334 (majority opinion) (patentee "need not" sue declaratory plaintiff "immediately" because third party's 180-day exclusivity period under Hatch-Waxman Act would prevent declaratory plaintiff from marketing

putatively infringing generic drug until six months after relevant patent expired). A direct precedent for the Federal Circuit's decision in the case at bar suggested a similar rationale:

> [P]ermitting [the patent licensee] to pursue a lawsuit without materially breaching its license agreement yields undesirable results. [The licensor] voluntarily relinquished its statutory right to exclude by granting [the licensee] a nonexclusive license. In so doing, [the licensor] chose to avoid litigation as an avenue of enforcing its rights. Allowing this action to proceed would effectively defeat those contractual covenants and discourage patentees from granting licenses. In other words, in this situation, the licensor would bear all the risk, while licensee would benefit from the license's effective cap on damages or royalties in the event its challenge to the patent's scope or validity fails.

Gen-Probe, Inc. v. Vysis, Inc., 359 F.3d 1376, 1382 (Fed. Cir. 2004).

But the Constitution's case or controversy requirement has nothing to do with litigation fairness, priority of suit, or the choice of forum or timing of litigation. It is a matter of constitutional governance and the separation of powers. *See, e.g., Flast v. Cohen*, 392 U.S. 83, 96 (1968) ("Federal judicial power is limited to those disputes which confine federal courts to a role consistent with a system of separated powers and which are traditionally thought to be capable of resolution through the judicial process"); *Valley Forge Christian College v. Americans United for Separation of Church and State*, 454 U.S. 464, 473 1982). The case or controversy requirement insures that courts will

decide nothing except against the background of specific facts in a specific dispute among real and adverse parties. *See Aetna Life Insurance Co. v. Haworth*, 300 U.S. 227, 240 (1937). In so doing, it keeps courts out of the legislature's and executive's domains, where decisions can be made based on general policy, speculation, and prediction.

Therefore the touchstone of the case or controversy requirement is the distinction between a dispositive decision in a concrete case between adverse parties based on real facts and an advisory opinion based on hypothetical facts or speculation. *See Aetna*, 300 U.S. at 240-241. The former is the function of the judiciary, the latter of Congress and the executive branch.

On its face, a reasonable apprehension of suit has little to do with this distinction. The Declaratory Judgment Act's animating principle is that real parties may have real, present and concrete adverse interests in a determination of rights or legal relations that a court can grant specifically and conclusively in a dispositive opinion, but that one party may wish to postpone or avoid for reasons of its own. If all relevant facts are known and in evidence, the Act gives the party desiring resolution the right to have it despite the other party's wish for delay. There is nothing necessarily hypothetical, abstract, or "legislative" about such a resolution, and nothing in one party's attempts to avoid a resolution—for example, by refraining from threats and charges—makes it so.

IV. There may be requests for declaratory judgments in patent cases that are not cases or controversies in a constitutional sense, but the case at bar is not one of them.

Petitioner here asked the district court to declare that the licensed patent is invalid or unenforceable. Both issues are real, concrete and ripe for adjudication.

Under the Federal Circuit's own precedent, a patent's validity is almost entirely a documentary issue. In order to assess its validity, the court must first construe the patent's claims. *See Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 372 (1996) (courts, not juries, construe patent claims). The Federal Circuit, however, has limited the evidence to be used for this purpose to the public record, including the patent and its prosecution history. *See Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582 (Fed. Cir. 1996). By statutory command, evidence of the invention's obviousness or lack of novelty—so-called "prior art"—must have existed at the time the invention was made or, at the latest, before the patent application was filed. *See* 35 U.S.C. §§ 102, 103(a). Therefore the facts and evidence necessary to decide a patent's validity—the patent itself, its prosecution history, prior art cited in the patent, other prior art, and relevant technical references—are all available when the patent issues. The purely legal question of a patent's validity is therefore almost *never* hypothetical or abstract.

What might make a request for a *judgment* of patent invalidity hypothetical or abstract in the sense of Article III is the position of the party asking for a judgment. If a plaintiff seeks a declaratory judgment before ever producing a product on which the patent claims might be

read, then no case or controversy may exist because the plaintiff's interest is simply too abstract and hypothetical. *Cf. Lang v. Pacific Marine and Supply Co.*, 895 F.2d 761, 763, 764-765 (Fed. Cir. 1990) (affirming dismissal of claim by patentee for declaratory judgment that ship would infringe dominant patent where ship would not be finished for nine months after complaint was filed).

But that is not this case. Here Appellant is currently producing a product called Synagis® on which the patentee claims royalties under the license. There is therefore a product on which the patent's claims can be read. All the evidence needed to produce a final, concrete decision on both validity and infringement exists now. The only thing standing in the way of a trial, in the Federal Circuit's view, is the license agreement and therefore the absence of a reasonable apprehension that the patentee will sue. But nothing bearing on the patent's validity or enforceability turns on whether the license is in effect or has been breached or terminated.

If the patentee had chosen to sue before granting a license, the dispute would have presented a classic patent infringement case—as clear a case or controversy as exists in patent law. Surely whether a case or controversy exists under Article III cannot turn solely on who sues first. If it did, the Declaratory Judgment Act would be a dead letter in all fields, not just patent law.

Like validity, the issue of enforceability is largely documentary. Unenforceability for inequitable conduct—a patent applicant's culpable failure to disclose known and material prior art to the patent examiner—depends on prior art and acts of nondisclosure before the patent issues. *See* 1 Jay Dratler, Jr., *Intellectual Property Law: Commercial,*

Creative, and Industrial Property § 2.08[2] (Law Journal Press 1991 & Supps.). Another cause of unenforceability, patent misuse, may turn on conduct occurring after the patent issues, but that conduct must have occurred before the case is filed. *See* 1 Jay Dratler, Jr., *Licensing of Intellectual Property* § 5.04 (Law Journal Press 1994 & Supps.) (hereinafter, "Dratler Licensing"). Here again, the existence of a case or controversy depends mostly on how close to producing a putatively infringing product the declaratory plaintiff was at the time of suit. The existence *vel non* of a license agreement is irrelevant, except to the extent that the license itself may be evidence of misuse.

V. Patent law needs a new standard for declaratory judgment, one consistent with the Declaratory Judgment Act and the purpose of the Constitution's case or controversy requirement.

A. The Federal Circuit's "reasonable apprehension of suit" test is bad economics as well as bad law.

The Federal Circuit's test ignores this Court's repeated instructions to construe patent law so as to permit and encourage legal challenges to possibly invalid patents by private attorneys general whose real and concrete economic interests insure a case or controversy and a legitimate reason for the challenge. *See supra* Part I.

Today those instructions are more important then ever before. Evidence is mounting that an increasing number of "bad" patents are issuing on "inventions" that do not quality for legal monopolies. Some commentators believe the problem derives from poor incentives and lack of resources within the Patent and Trademark Office (PTO).

See Adam B. Jaffe and Josh Lerner, *Innovation and Its Discontents: How Our Broken Patent System is Endangering Innovation and Progress, and What to Do About It* 34 (Princeton University Press 2004) ("As a result of legal and administrative changes made between 1982 and 1990, the PTO has become so overtaxed, and its incentives have become so skewed toward granting patents, that the tests for novelty and non-obviousness that are supposed to insure that the patent monopoly is granted only to true inventors have become largely non-operative"). Some criticize the Federal Circuit's failure to prescribe reasonable limits on the scope of patentable subject matter. *See, e.g.*, Jay Dratler, Jr., "Alice in Wonderland Meets the U.S. Patent System," 38 Akron L. Rev. 299, 308-319 (2005) (hereinafter "Alice"); John R. Thomas, "The Patenting of the Liberal Professions," 40 B.C. L. Rev. 1139, 1163-1164 (1999).[4] Some see a failure of the PTO and the courts to recognize the dividing line between legitimate patents on inventions and prohibited monopolies on businesses in our free-market economy. *See* "To

---

[4] Professor Thomas has suggested that the Federal Circuit's refusal to restrain the expansion of patentable subject matter may ultimately produce patents on the work product of lawyers and priests:

> With business and medical techniques firmly under wing, and patents on sports methods and procedures of psychological analysis trickling out of the Patent Office, patents appropriating almost any sort of communicable practice seem easily attainable. . . . Under increasingly permissive Federal Circuit case law, techniques within such far-flung disciplines as language, the fine arts and theology also now appear to be within the realm of patentability.

40 B.C. L. Rev. at 1163-1164.

Promote Innovation: the Proper Balance of Competition and Patent Law and Policy, A Report by the Federal Trade Commission," Executive Summary at 5 (Oct. 2003) ("FTC Innovation Report") ("[M]any participants in and observers of the patent system expressed significant concerns that, in some ways, the patent system is out of balance with competition policy"). *See also*, Jay Dratler, Jr., "Does Lord Darcy Yet Live? The Case Against Software and Business-Method Patents," 43 Santa Clara L. Rev. 823 (2003) (arguing that Federal Circuit's receptivity to patents on computer programs and business methods shifts line between competition and invention in place under Anglo-American law since 1623 by granting monopolies on what are essentially ideas for businesses devoid of technological risk). Some see a failure to impose consistent and discerning standards of nonobviousness. *See* FTC Innovation Report, Executive Summary at 10-11 (recommending that nonobviousness standard be tightened); Alice, 38 Akron L. Rev. at 309-319 (arguing that current standard of nonobviousness departs from the spirit of Thomas Jefferson's original standard by emphasizing cognitive difficulty over economic factors like risk).

Yet whatever the reason, the chorus of discontent is growing. For the first time in recent memory, representatives of industry itself are beginning to question whether some aspects of our patent system might impede, rather than promote, technological innovation. *See* FTC Innovation Report, Ch. 3 at 34-37 (discussing how patent "thickets" impede innovation in the electronics industry and noting 90,000 patents held by 10,000 parties relating to microprocessors alone); *id.*, Ch. 3 at 50-55 (similar conclusions for software and Internet industries).

One reform bill now before Congress implicitly recognizes that something is awry. *See* 2005 H.R. 2795 (Smith). It proposes a system of post-grant review of issued patents, like those in many foreign countries, subject to full judicial review. *See id.*, § 9 (proposing new Chapter 32 of Title 35 for post-grant review). If adopted, that system would supplement already existing options for *ex parte* reexamination, *see* 35 U.S.C. ch. 30, §§ 301-307, and *inter partes* reexamination, *see* 35 U.S.C. ch. 31, §§ 311-318. The very existence of a proposal for yet a third means of reviewing already-issued patents suggests the need for some sort of substantive reform.

Given the Federal Circuit's exclusive jurisdiction over patent appeals, *see* 28 U.S.C. § 1295(a)(1), (4)(A), (4)(C), plus the legal and technological complexity of patent cases, this Court has understandably been reluctant to micromanage the Federal Circuit's substantive judgments in the area of its special expertise. *See Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 40 (1997). But this Court has never shrunk from insuring that *all* courts, including patent courts, observe proper procedure and proper procedural standards. *See, e.g., Holmes Group, Inc. v. Vornado Air Circulation Systems, Inc.*, 535 U.S. 826, 830, 833-834 (2005) (reinforcing well-pleaded complaint rule for subject matter jurisdiction and vacating Federal Circuit's decision); *Cardinal Chemical Co.*, 508 U.S. at 100-101 (repudiating Federal Circuit's practice of vacating holdings of patent invalidity after affirming holdings of noninfringement); *Christianson v. Colt Industries Operating Corp.*, 486 U.S. 800, 811, 819 (1988) (reinforcing "well-pleaded complaint" rule for subject-matter jurisdiction and overturning Federal Circuit's reluctant acceptance of jurisdiction after jurisdictional "ping-pong match" with Seventh Circuit); *Blonder Tongue*,

402 U.S. at 344 (abolishing doctrine of mutuality of estoppel in patent cases, discussed in Part I *supra*); *Lear*, 395 U.S. at 670-671 (abolishing doctrine of licensee estoppel in patent cases).

From an economic perspective, this case involves one of the most important procedural issues that this Court may ever resolve. Many patent licensees agree to take licenses and to pay royalties not because they think the patents they license are good ones, but because the economic risks of being wrong are too great. *See* Dratler Licensing, § 2.02[1][a][ii], [iii][C], [iv]. If they forego a license, proceed with a potentially infringing business, and wait to be sued for infringement, they take two immense risks. First, they risk damage liability for up to six years' worth of potentially infringing production. *See* 35 U.S.C. § 286. Second, if they lose an infringement suit, they risk a shut-down injunction[5] that would devalue their entire sunk investment in research, development, planning, plant, production, distribution and marketing. *See* Dratler Licensing, § 2.02[1][a][ii].

Licensees might have thought that Congress resolved this dilemma when it adopted the Declaratory Judgment Act. Yet the Federal Circuit's "reasonable apprehension of suit" test prevents them from bringing declaratory actions to challenge licensed patents while the licenses are in force. It thus throws them right back on the horns of their old dilemma. *See id.*, § 2.02[1][a][iv].

The dilemma gains importance today, when "bad" patents are on the rise. The more uncertain patents there are, the greater their uncertainty, and the greater the

---

[5] See note 3 *supra*.

economic importance of industries they cover, the greater the risk of loss to a business that refuses to take a license. As the incentive to sign a license increases, the chance that anyone will challenge shaky patents decreases. The law thus encourages owners of shaky patents to transform their very uncertainty—the "friction" in our legal system—into gold. Their gain, achieved without testing their patents in court, comes at the expense of their competitive rivals, industry, innovation, and the public.

B. A proper standard for a declaratory-judgment suit by a patent licensee would permit suit whenever the licensee has a real, concrete and non-pretextual reason for seeking release from the license's obligations and the patentee would have a justiciable action for infringement in the absence of the license.

The Declaratory Judgment Act is "only" procedural; it does not, and cannot, expand the reach of judicial power beyond the limits imposed by Article III. *See Aetna*, 300 U.S. at 240. Yet the Act seeks to exploit the full reach of judicial power. *See id.*, 300 U.S. at 239-240 (reference to "actual controversy" in Act "manifestly has regard to the constitutional provision and is operative only in respect to controversies which are such in the constitutional sense"); *id.*, 300 U.S. at 240 ("The word 'actual' [in the Act] is one of emphasis rather than of definition").

A proper test for declaratory-judgment jurisdiction therefore would recognize the Act's intention to authorize declaratory actions up to the constitutional limits. Indeed, it would begin and end with those limits.

Under modern standing doctrine, the constitutional limits involve four distinct analytical elements. The first is the concreteness required of requests for declaratory judgments, i.e., a real, concrete dispute, as distinguished from an abstract or hypothetical case or request for an advisory opinion. *See Aetna*, 300 U.S. at 241 (dispute "must be a real and substantial controversy admitting of specific relief through a decree of a conclusive character, as distinguished from an opinion advising what the law would be upon a hypothetical state of facts") (citation omitted). *See also, Maryland Casualty Co. v. Pacific Coal & Oil Co.*, 312 U.S. 270, 273 (1941). The second element is the "resolvability" required both for declaratory judgments, *see Aetna*, 300 U.S. at 241, and for general constitutional standing, *see Lujan v. Defenders of Wildlife*, 504 U.S. 555, 560 (1992). The dispute must be one that a court can resolve finally by granting the requested judgment. The third and fourth elements are injury in fact and causation thereof, which the modern doctrine of constitutional standing requires. There must be "an invasion of a legally protected interest" and "a causal connection between the injury and the conduct complained of . . . ." *Lujan*, 505 U.S. at 560 (citations omitted).

In the present context, "concreteness" exists whenever, in the absence of the license, the patentee's infringement claim would be justiciable and the licensee has an economic interest in the adjudication that is real, non-pretextual and concrete. In that case the licensee's production or preparation for production provides something on which to read the patent's claims to assess infringement, and the production or proximity to it prevents the dispute from being hypothetical or the opinion advisory. In addition, the licensee's real economic interest insures a real and concrete object of the litigation: to

release the licensee from an obligation or liability with respect to an actual or forthcoming product that the patent arguably covers.

The second constitutional limit is "resolvability." A declaratory judgment must be able to resolve the particular, concrete dispute at issue in a way that discourages, if not precludes, further litigation on the same point.

An example may be helpful. Suppose the license at issue covers two patents, a basic patent and an improvement patent, and the licensee's production is still in the planning stage. The licensee thinks it can "invent around" the *improvement* patent, and so requests a declaratory judgment that the *basic* patent is invalid, unenforceable, and not infringed. In the absence of a concrete product in current production, the case would not be ripe for adjudication because the license and royalty obligation might still cover the eventual product by virtue of the improvement patent, even if the basic patent is invalidated. The declaratory judgment would not fully resolve the underlying economic issue: whether the licensee must pay royalties.

Cases like the case at bar, involving substantial current production, are distinguishable. Here there is no question that litigation would determine whether royalties are due with respect to substantial ongoing production of a current product on which the licensed patent's claims can be read. In that respect this case is indistinguishable from an infringement suit by the patentee in the absence of the license, which would also be justiciable.

The last two requirements—for injury in fact and its causation—are the most problematic in this context. If

injury in fact is defined as "invasion of a legally protected interest" (*Lujan*, 505 U.S. at 560) and is taken literally, a strict requirement for it would wipe out most declaratory judgments in patent law, even under the Federal Circuit's test. A "quiescent" patentee who merely owns a patent certainly does nothing to invade a declaratory plaintiff's rights. But neither does a patentee who brings or threatens suit. As long as it acts in good faith or its claim is not baseless, every patentee has a constitutional right[6] to sue and to threaten, immunized from antitrust liability under an entire mini-jurisprudence known as the *Noerr-Pennington* doctrine. *See Professional Real Estate Investors, Inc. v. Columbia Pictures Industries, Inc.*, 508 U.S. 49, 60 (1993) (relaxing *Noerr-Pennington* immunity for a single action only when it is (i) "objectively baseless" and (ii) brought in subjective bad faith); Dratler Licensing, § 2.04[1] (discussing doctrine, its history, and exception).

Since a patentee has every right to threaten and bring suit, its doing so does not invade any protected interest of a licensee or any putative infringer. Therefore, the notion of invading a protected interest as a condition for constitutional standing is far too weak a beam to support declaratory judgments in patent cases.

The gist of the matter is that patent rights are almost always uncertain. Without recognizing that fundamental reality, the doctrine of injury in fact is circular even in pedestrian infringement suits.

---

[6] The *Noerr-Pennington* doctrine is ultimately based on the First-Amendment right to petition the government for redress of grievances. *See Eastern R.R. Presidents Conference v. Noerr Motor Freight, Inc.*, 365 U.S. 127, 137, 139 (1961).

An invalid patent cannot be infringed. *See Blonder Tongue*, 402 U.S. at 344, 350. Therefore, whether an infringement defendant's allegedly infringing activities cause injury in fact depends upon whether the patent is valid, which only the litigation itself can resolve. The same circularity exists for declaratory-judgment actions, and therefore there is no reason to distinguish between them insofar as injury in fact or justiciability is concerned.

Only one escape from this conceptual conundrum is evident: recognizing that uncertainty in a patent's validity or enforceability can itself be a cause of injury in fact. *Cf.* Daniel A. Farber, "Uncertainty as a Basis for Standing," 33 Hofstra L. Rev. 1123, 1125-1126 (2005). The ubiquitous uncertainty of patents is indeed a cause of real injury: it motivates licenses to pay real money to avoid horrendous real risks.

Any standing doctrine that refuses to recognize uncertainty as a cause of injury in fact in patent cases must confront the doctrine of *stare decisis*. This Court's very first decision under the Declaratory Judgment Act involved acts that would be difficult, if not impossible, to characterize as "invasion of a legally protected interest." *See Aetna*, 300 U.S. at 237-238, 242 (defendant's formal written claim under insurance policy, asserting that he had become totally disabled and therefore that policy provisions waiving payment of premiums on disability had come into play, supported jurisdiction over insurer's request for declaratory judgment that policies had lapsed for nonpayment). The vast majority of cases in which the Federal Circuit has recognized jurisdiction also involved no

such invasion.[7] Yet the modern doctrine of standing, with its requirement for "injury in fact," developed more than two decades after the Declaratory Judgment Act's adoption. *See* Act of June 14, 1934, ch. 512, 48 Stat. 955; Cass Sunstein, "What's Standing After *Lujan*? Of Citizen Suits, 'Injuries,' and Article III," 91 Mich. L. Rev. 163, 185-186 (1992) (reporting that first appearance of "injury in fact" criterion came in 1958, in treatise on administrative law), citing Kenneth C. Davis, *Administrative Law Treatise* § 22.02, at 211-13 (1958). Proponents of a stricter standing requirement for declaratory judgments based on "injury in fact" therefore must explain how their views avoid canceling an act of Congress and multiple decisions made decades previously.

Both infringement and declaratory-judgment actions in patent cases amply satisfy the real concerns underlying modern standing doctrine. Where they involve current or forthcoming products and nonpretextual economic obligations among parties in privity, they are worlds away from the environmental and social-policy cases in which plaintiffs challenge generally applicable law based on some diffuse "injury" to the environment, good government, or the like. *Cf., e.g., Lujan*, 504 U.S. at 562, 578 (challenge to change in regulation requiring consultation with affected states only for actions affecting endangered-species designations in the United States and on the high seas, but not in foreign countries, failed for lack of showing of injury and redressability); *Sierra Club v. Morton*, 405 U.S. 727, 729-730, 740-741 (1972) (club that challenged Forest

---

[7] Most of the Federal Circuit's decisions supporting jurisdiction in patent cases rely on the patentee's charge of infringement or threat of suit—constitutionally protected activity. See Dratler Licensing, § 2.02[1][a][iii][B][I].

Service's lease of public lands to developers of ski resort but did not allege individualized injury to its members lacked standing to sue); *Massachusetts v. Mellon*, 262 U.S. 447, 480, 488-489 (1923) (Court lacks jurisdiction to review allegedly unconstitutional taxation and appropriation at behest of individual taxpayers or State on their behalf).

Just like a patent infringement case, a licensee's declaratory-judgment suit involves a specific and concrete injury (economic loss due to legal uncertainty) to a specific and concrete party (the licensee and declaratory plaintiff), which a declaratory judgment can fully resolve. And just as in a patent infringement suit, a case or controversy exists in an action for declaratory judgment if there is a real or forthcoming product on which to read the patent's claims and a concrete economic interest, such as payment or nonpayment of royalties, that depends on the patent's validity or enforceability or the scope of its claims.[8]

---

[8] In this particular case there are additional reasons why a case or controversy existed. In addition to suing for a declaratory judgment that the licensed patent was invalid or unenforceable, Appellant claimed that Respondents had violated the antitrust laws. *See MedImmune*, 427 F.3d at 965-969 (finding these claims also non-justiciable or waived and declining to transfer them to Ninth Circuit). These claims included assertions that: (1) Respondents had colluded with a third party in the patent-interference settlement that presaged issuance of the licensed patent to extend the patent's duration beyond what it would have been absent the settlement and (2) the patent's issuance had resulted from fraud for which Respondents were responsible. See *id.*, 427 F.3d at 965, 967-968. Since the viability of the antitrust claim depended on whether the patent had been procured by fraud and was therefore unenforceable, *see Walker Process Equipment, Inc. v. Food Machinery & Chemical Corp.*, 382 U.S. 172, 175-177 (1965), these collateral claims were substantively intertwined with the request for a declaratory judgment of patent unenforceability.

CONCLUSION

Amici respectfully request that this Court reverse the judgment below, reject the Federal Circuit's "reasonable apprehension of suit" test as inconsistent with the Declaratory Judgment Act and not required by Article III, and announce a new test for the justiciability of declaratory-judgment claims in patent cases along the lines suggested herein.

Respectfully Submitted,

Jay Dratler, Jr.*
Goodyear Professor of Intellectual Property
University of Akron School of Law
873 Castle Boulevard
Akron, OH 44313-5774
330-972-7972

**Counsel of Record*

(Counsel continue on page 30)

(Continued from previous page):

The fact that these claims also were real and concrete and able to be resolved lends weight to the justiciability of the case as a whole. See *MedImmune*, 427 F.3d at 970-971 (opinion dissenting in part, arguing that antitrust claims should be transferred to Ninth Circuit, rather than dismissed). But the justiciability of a request for a declaratory judgment does not depend upon the presence of related claims. It is enough that the claim for a declaratory-judgment itself is real and concrete and that its resolution will have real, concrete and immediate consequences here resolution of the obligation to pay royalties on a product then in current production.

A. Samuel Oddi
Giles Sutherland Rich Professor
in Intellectual Property
514 West Fairlawn Boulevard
Akron, OH 44343-4594
330-972-6384

Jeffrey M. Samuels
David L. Brennan Professor of Law
and Director, Center of Intellectual
Property Law and Technology
2181 Jamieson Avenue #119
Alexandria, VA 22314-5752
330-972-7898